## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554



In the Matter of

Telephone Number Portability

DOCKET FILE COPY ORIGINAL

CC Docket No. 95-116

RM 8535

## **COMMENTS**

The National Exchange Carrier Association, Inc. (NECA)<sup>1</sup> submits these comments in response to the Commission's July 13, 1995 Notice of Proposed Rulemaking in the above-captioned proceeding.<sup>2</sup> The Notice requests comment on whether the Commission should mandate local number portability. The Commission tentatively concludes that local telephone number portability would benefit consumers and would contribute to the development of competition among alternative providers of local telecommunications services.<sup>3</sup> The Notice requests comment on costs of implementing local number portability and other related issues.

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<sup>&</sup>lt;sup>1</sup> NECA is a not-for-profit, membership association, serving over 1400 local exchange carrier (EC) study areas. NECA members include all local exchange carriers in the United States, Puerto Rico, Micronesia and the U. S. Virgin Islands. NECA is responsible, under Subpart G of Part 69 of the Commission's rules, for activities including the preparation of access charge tariffs on behalf of all telephone companies that do not file separate tariffs, collection and distribution of access charge revenues, the administration of the Universal Service and Lifeline Assistance programs, and the administration of the interstate Telecommunications Relay Service fund. See 47 C.F.R. § 69.603 and § 64.604.

<sup>&</sup>lt;sup>2</sup> Telephone Number Portability, CC Docket No. 95-116, <u>Notice of Proposed Rulemaking</u>, 60 Fed. Reg. 39136 (August 1, 1995) (<u>Notice</u>).

<sup>&</sup>lt;sup>3</sup> <u>Id.</u> at 4.

Demand for local number portability appears to be driven by the level of competition. Competitive local exchange carriers, to date, have chosen to provide service in larger metropolitan areas. Local exchange competition is developing less rapidly in rural areas, and there is some question as to whether competition will reach those areas at all.

It is not cost effective to require telephone companies to incur the expense of modifying their switches to accommodate local number portability in the absence of proven demand. For example, mandated conversion to local number portability would require members of NECA's pools to modify over 5,000 switches. This would result in increased rate levels and no benefit to customers. Therefore, NECA requests that if the Commission requires local exchange carriers to implement number portability, small telephone companies (i.e., companies that participate in NECA's tariffs, as well as any non-Tier 1 company that files its own tariffs) be exempted from such rules until there is some significant competitive presence in their local exchange serving areas. Exchange carriers should also be given sufficient time to provide local number portability if, in fact, competition emerges in their local service areas.

This recommendation is consistent with the approach that the Commission has taken in the implementation of equal access <sup>4</sup> and in the provisioning of direct trunked transport.<sup>5</sup> Small local exchange carriers provide equal access and direct trunked transport only upon receipt of a bona fide

<sup>&</sup>lt;sup>4</sup> See MTS and WATS Market Structure Phase III: Establishment of Physical Connections and Through Routes among Carriers; and Establishment of Physical Connections by Carriers with Non-Carrier Communications Facilities; and Planning among Carriers for Provision of Interconnected Services, and in Connection with National Defense and Emergency Communications Services; and Regulations for and in Connection with the Foregoing; CC Docket No. 78-72, Phase III, Report and Order, 100 F.C.C. 2d 860, 874 (1985).

<sup>&</sup>lt;sup>5</sup> See Transport Rate Structure and Pricing, CC Docket No. 91-213, <u>First Memorandum</u> Opinion and Order on Reconsideration, 8 FCC Rcd 5370, 5380-81 (1993).

request. Further, NECA pooling companies were exempted from the Commission's expanded interconnection requirements.<sup>6</sup>

## **CONCLUSION**

NECA recommends that should the Commission decide to mandate local number portability, small telephone companies be exempted from such a mandate. They should be required to implement local number portability only when local competition becomes a reality in their territories. At such time that telephone number portability is required, exchange carriers should be given adequate time for implementation.

Respectfully submitted,

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.

Rw.

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September 12, 1995

<sup>&</sup>lt;sup>6</sup> See Expanded Interconnection with Local Telephone Company Facilities and Amendment of the Part 69 Allocation of General Support Facility Costs, CC Docket Nos. 91-141 and 92-222, Report and Order and Notice of Proposed Rulemaking, 7 FCC Rcd 7369, 7398 (1992).

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Comments was served this 12th day of September, 1995, by mailing a copy thereof by United States Mail, first class postage paid, or by hand delivery, to the persons listed below.

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